STATEMENT OF PURPOSE

RS 19982

The purpose of this legislation is to add a section under Chapter 6, Title 42, Idaho Code under Section 605B to provide for an additional assessment for water rights with complex administration conditions. Water right approvals for new appropriations, transfers or exchanges may include conditions requiring mitigation for consumptive uses or other conditions requiring additional work by a watermaster to measure, monitor, curtail and report beyond that normally required to distribute water by priority date. The water right owner or user should bear the costs required to provide the additional watermaster services. The section also provides for a way to contest the amount of the additional assessment.

FISCAL NOTE

No impact on the General Fund. This legislation will increase revenue to water districts to pay for additional watermaster tasks. Watermaster effort to enforce complex administration conditions for water rights is expected to increase the annual budget needs of a water district by 10% or more. Water district budgets in the state range from a few hundred dollars annually for small water districts to about \$1.3 million dollars annually for Water District 01.

CONTACT

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STATEMENT OF PURPOSE/FISCAL NOTE

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AN ACT

RELATING TO WATER; AMENDING CHAPTER 6, TITLE 42, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 42-605B, IDAHO CODE, TO PROVIDE FOR ADDITIONAL ASSESSMENTS FOR CERTAIN WATER RIGHTS THAT INCLUDE COMPLEX ADMINISTRATION, TO PROVIDE FOR PETITIONS CONTESTING ADDITIONAL ASSESSMENTS, TO PROVIDE FOR ACTION BY THE DIRECTOR OF THE DEPARTMENT OF WATER RESOURCES RELATING TO PETITIONS CONTESTING ADDITIONAL ASSESSMENTS, TO PROVIDE FOR ORDERS, TO PROVIDE FOR REVIEW OF ORDERS, TO CLARIFY PAYMENT OBLIGATIONS, TO PROVIDE FOR CREDITS OR COLLECTION IN THE SUCCEEDING YEAR AND TO PROVIDE THAT AMOUNTS PAID FOR WATERMASTER SERVICES SHALL BE INCLUDED IN CALCULATION OF ANNUAL ASSESSMENT AMOUNTS AND RATES AS THEY RELATE TO THE DETERMINATION OF VOTING RIGHTS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Chapter 6, Title 42, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW SECTION</u>, to be known and designated as Section 42-605B, Idaho Code, and to read as follows:

42-605B. ADDITIONAL ASSESSMENTS FOR DISTRIBUTION OF WATER FOR WATER RIGHTS WITH CONDITIONS REQUIRING COMPLEX ADMINISTRATION. (1) In preparing the next year's budget, the watermaster shall determine an assessment for the ensuing year, in addition to any other assessment provided for in this chapter, for any water right, which right has been adjudicated by the court or is represented by a valid permit or license issued by the department of water resources, where the right includes complex administration conditions. Complex administration conditions may include, but are not limited to, conditions requiring mitigation or delivery of water rights subject to an exchange of water. The assessment shall be sufficient to pay the additional costs and expenses for watermaster services resulting from the conditions that are in excess of services strictly for delivery of the water right according to the priority date.

- (2) The additional assessment shall not become final until adopted as part of the water district budget at the annual meeting of water users in accordance with section 42-612, Idaho Code. The additional assessment shall not exceed an amount necessary to pay for watermaster services associated with conditions of the water right requiring complex administration.
- (3) The holder of a water right assessed under the provisions of this section who desires to contest the amount of an additional assessment shall file a written petition with the director of the department of water resources stating the grounds for contesting the additional assessment. The petition must be filed with the director within thirty (30) days after the billing is mailed to the holder of the water right as provided in section 42-613, Idaho Code. Upon such petition, the director shall cause an investigation to be made and may hold hearings or gather information in other

add 11the ways. If the director finds that the amount of the additional assessment should be changed, the director may issue an order modifying the amount of the additional assessment. Any person feeling aggrieved by an order of the director in response to a petition filed as herein provided shall be entitled to review as provided in section 42-1701A, Idaho Code. The filing of a petition under this section shall not relieve the holder of the water right from the obligation to pay the additional assessment when due and payable. The amount of any excessive or deficient assessment determined by a final order of the director shall be credited or collected in the succeeding year in the manner provided under section 42-606, Idaho Code.

(4) For the purposes of determining voting rights at a water district meeting, amounts paid for watermaster services pursuant to this section shall be included in the calculation of annual assessment amounts and assessment rates under section 42-605, Idaho Code.